

This is a X Monthly Interim Final Fee Application.

³ McKinsey RTS reserves the right to request reimbursement for additional expenses, including but not limited to airfare expenses, from the Commencement Date (as defined herein) through March 31, 2015 not previously invoiced herein.

Prior Fee Submissions:

	Date Filed	Period Covered	Requested		Approved		Holdback
			Fees	Expenses	Fees	Expenses	
First Monthly	2/5/2015 [Dkt. 438]	11/1/2014- 12/31/2014	\$571,428.00	\$8,171.67	\$566,721.20	\$3,464.87	\$114,285.60
First Interim	2/5/2015 [Dkt. 439]	09/15/2014- 12/31/2014	\$571,428.00	\$8,171.67	\$566,721.20	\$3,464.87	\$114,285.60 (paid)
Second Monthly	7/20/2015	01/01/2015- 03/31/2015	\$10,880.00	\$47,172.76	Pending	Pending	\$2,176.06 (pending)

McKinsey Recovery & Transformation Services U.S., LLC ("McKinsey RTS"), Turnaround Advisor for NII Holdings, Inc. ("NII Holdings") and twelve of its direct and indirect subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors," and together with their affiliates, "NII"), submits its second monthly fee and expense statement (the "Second Monthly Application"), pursuant to sections 327, 330(a) and 331 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. §330 issued by the Executive Office for United States Trustee (the "Guidelines"), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on November 25, 2009 (the "Local Guidelines"), the United States Bankruptcy Court of the Southern District of New York's General Order M-447 signed on January 29, 2013 by Chief Judge Cecelia G. Morris setting forth Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, effective February 5, 2013 (the "General Order"), and this Court's Order, Pursuant to Sections 105(a) and 331 of the Bankruptcy Code, Bankruptcy Rule 2016(a) and Local Bankruptcy Rule 2016-1, Establishing Procedures for Interim Monthly Compensation for Professionals dated October 14, 2014 (the "Interim Compensation Order") [Docket No. 100], for the monthly compensation for professional services performed and expenses incurred by McKinsey RTS for the period commencing January 1, 2015 through and including March 31, 2015 (the "Monthly Compensation Period") in the aggregate amount of **\$58,052.76** incurred during the Monthly Compensation Period.

BACKGROUND

1. On September 15, 2014 (the “Commencement Date”), the Debtors each commenced with this Court a voluntary case under chapter 11 of title 11, United States Code (the “Bankruptcy Code”). Pursuant to a final order dated November 12, 2014 (the “Retention Order”) [Docket No. 212], the Debtors were authorized to retain and employ McKinsey RTS as Turnaround Advisor *nunc pro tunc* to October 23, 2014. The Retention Order authorized the Debtors to compensate McKinsey RTS in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and such other procedures as were established by the Interim Compensation Order.

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

2. This Second Monthly Application is McKinsey RTS’s second request for monthly compensation in the Debtors’ chapter 11 cases. During the Monthly Compensation Period, covering the period extending from January 1, 2015 through March 31, 2015, McKinsey RTS worked closely with members of the Debtors’ senior management team to prepare detailed consolidating operating plans and cash projections for the period 2014-18. To this end, McKinsey RTS was required to render professional services performed by the professionals reflected on Exhibit A hereto.

3. McKinsey RTS seeks allowance of monthly compensation for professional services rendered to the Debtors during the Monthly Compensation Period in the aggregate amount of \$10,880.00 (representing the charge for the 17.0 hours of service provided by McKinsey RTS business professionals).

4. Annexed hereto as Exhibit A is a schedule setting forth the identity of all McKinsey RTS professionals and paraprofessionals, if any, who have performed services in this

chapter 11 case during the Monthly Compensation Period, the capacity in which each such individual is employed by McKinsey RTS, the hourly billing rate charged by McKinsey RTS for services performed by such individual, the aggregate number of hours expended in this matter and fees billed therefor.

5. The professional services performed by McKinsey RTS on behalf of the Debtors during the Monthly Compensation Period required an aggregate expenditure of 17.0 hours by McKinsey RTS's Vice Presidents. Of the aggregate time expended, no recorded hours were expended by Paraprofessionals of McKinsey RTS.

6. During the Monthly Compensation Period, McKinsey RTS billed the Debtors for time expended by professionals based on an hourly rate of \$640.00. Allowance of compensation in the amount requested would thus result in a blended hourly billing rate for professionals of \$640.00 (based on 17.0 recorded hours for professionals at McKinsey RTS's regular billing rates in effect at the time of the performance of services).

7. Pursuant to the Guidelines and annexed hereto as Exhibit B, is a summary of the significant professional services rendered by McKinsey RTS during the Monthly Compensation Period for all task codes in which McKinsey RTS billed more than five (5) hours during the Monthly Compensation Period. The summary is separated by project categories as hereinafter described. If a Task Code does not appear in the time records, McKinsey RTS did not bill a minimum of five (5) hours of time for that Task Code during the Monthly Compensation Period, but may bill time for that Task Code in the future.

a. Task Code – Cash Forecasting
Fees: \$10,880.00; Hours: 17.0

- Reviewing cash model and liquidity projections for the period 2014 through 2018;

- Reviewing analyses related to assumptions for working capital, bank debt, asset sales, and other business drivers;
- Analyzing operating income trends and normalized operating income; and
- Reviewing projections under proposed restructured debt structure.

8. McKinsey RTS maintains records of the time billed by all McKinsey RTS professionals and paraprofessionals in connection with services rendered to the Debtors. Relevant copies of the records for the Monthly Compensation Period are annexed hereto as **Exhibit C.**

ACTUAL AND NECESSARY EXPENSES OF MCKINSEY RTS

9. For purposes of this Second Monthly Application, as summarized on **Exhibit D** and itemized on **Exhibit E**, McKinsey RTS has disbursed \$47,172.76 as expenses incurred in providing professional services during the Monthly Compensation Period. McKinsey RTS respectfully requests allowance of its actual and necessary expenses in the amount of \$47,172.76 which fall within the Local Guidelines and the UST Guidelines⁴.

RESERVATION

10. To the extent time or disbursement charges for services rendered or disbursements incurred relate to the Monthly Compensation Period but were not processed prior to the preparation of this Second Monthly Application, or McKinsey RTS has for any other reason not yet sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Monthly Compensation Period, McKinsey RTS

⁴ As noted herein, McKinsey RTS reserves the right to request in one or more subsequent monthly statements and/or the final fee application reimbursement of additional expenses, including but not limited to airfare expenses, incurred during the Monthly Compensation Period.

reserves the right to request additional compensation for such services and reimbursement of such expenses in a future fee statement and/or application.

NOTICE AND OBJECTION PERIOD

11. In accordance with the Interim Compensation Order, notice of the Second Monthly Application has been served upon the following parties (collectively, as further defined in the Interim Compensation Order, the "Notice Parties"): (i) the Debtors, c/o NII Holdings, Inc., 1875 Explorer Street, Suite 800, Reston, Virginia 20190 (Attn: General Counsel); (ii) Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Scott J. Greenberg, Esq. and George R. Howard, Esq.) and Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114-1190 (Attn: Carl E. Black, Esq.); (iii) counsel to the Official Committee of Unsecured Creditors, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Adam C. Rogoff, Esq., and Anupama Yerramalli, Esq.); and (iv) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Susan D. Golden, Esq. and Brian Masumoto, Esq.).

12. Objections to the Second Monthly Application, if any, should be served as required in the Interim Compensation Order.

13. At the expiration of the Objection Deadline, as defined in the Interim Compensation Order, McKinsey RTS seeks prompt payment of eighty percent (80%) of the fees for the Second Monthly Application to which no objection has been served in accordance with the Interim Compensation Order.

Dated: July 21, 2015
New York, New York

Respectfully submitted,

/s/ Kevin Carmody
Kevin Carmody, Practice Leader
MCKINSEY RECOVERY &
TRANSFORMATION SERVICES U.S., LLC
55 EAST 52ND STREET
NEW YORK, NY 10055

*Turnaround Advisor for the Debtors and Debtors
in Possession*

EXHIBIT A

**PROFESSIONAL SERVICES RENDERED BY
MCKINSEY RTS ON BEHALF OF THE DEBTORS
FOR THE PERIOD JANUARY 1, 2015 THROUGH MARCH 31, 2015**

CONFIDENTIAL

Client: NII Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Summary of Time Entries by Person
Period: January 1, 2015 through March 31, 2015
Case No: 14-12611

Name	Title	Hours Billed	Hourly Rate (USD)	Total Billed (USD)
Anand Mehta	Vice President	8.0	\$640	\$5,120
Clifford Chen	Vice President	9.0	\$640	\$5,760
Total		17.0	\$640	\$10,880

Notes:

1 Hours billed reflect 50% reduction for billable (non-working) travel.

EXHIBIT B

**SUMMARY OF SERVICES BY TASK CODE FOR SERVICES
RENDERED BY MCKINSEY RTS ON BEHALF OF THE DEBTORS
FOR THE PERIOD JANUARY 1, 2015 THROUGH MARCH 31, 2015**

CONFIDENTIAL

Client: NII Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Summary of Time Entries by Category
Period: January 1, 2015 through March 31, 2015
Case No: 14-12611

Time Category	Hours Billed	Total Billed (USD)
006 - Cash forecasting	17.0	\$10,880
Total	17.0	\$10,880

EXHIBIT C

FEE INVOICES OF MCKINSEY RTS FOR THE PERIOD JANUARY 1, 2015
THROUGH MARCH 31, 2015

CONFIDENTIAL

Client: NII Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Detail of Time Entries
Period: January 1, 2015 through March 31, 2015
Case No: 14-12611

Date	Name	Hours	Time Entry Category	Time Entry Description
3/6/2015	Clifford Chen	0.6	006 - Cash forecasting	Communicating with S. Greenberg re business plan update requirements
3/6/2015	Clifford Chen	0.7	006 - Cash forecasting	Communicating with K. Carmpdy re business plan update
3/8/2015	Anand Mehta	3.0	006 - Cash forecasting	Review of latest updates to consolidated financial model
3/8/2015	Clifford Chen	1.9	006 - Cash forecasting	Reviewing latest business plan model provided by C. Otto
3/8/2015	Clifford Chen	0.8	006 - Cash forecasting	Reviewing current business plan assumptions provided by C. Otto
3/8/2015	Clifford Chen	0.8	006 - Cash forecasting	Reviewing asset sale terms
3/9/2015	Anand Mehta	1.0	006 - Cash forecasting	Call with C. Otto and B. Sanabria on latest updates to consolidated financial model
3/9/2015	Clifford Chen	1.0	006 - Cash forecasting	Participating in call with C. Otto, B. Sanabria re business plan update
3/10/2015	Anand Mehta	0.5	006 - Cash forecasting	Call with C. Otto and B. Sanabria on latest updates to consolidated financial model
3/10/2015	Clifford Chen	0.5	006 - Cash forecasting	Participating in call with C. Otto, B. Sanabria re business plan update
3/11/2015	Anand Mehta	2.5	006 - Cash forecasting	Review of latest updates to consolidated financial model
3/12/2015	Anand Mehta	1.0	006 - Cash forecasting	Reviewing final business plan model updates
3/12/2015	Clifford Chen	2.7	006 - Cash forecasting	Reviewing final business plan model updates and associated validation of assumptions

EXHIBIT D

**SUMMARY OF ACTUAL AND NECESSARY EXPENSES INCURRED
BY MCKINSEY RTS ON BEHALF OF THE DEBTORS
FOR THE PERIOD JANUARY 1, 2015 THROUGH MARCH 31, 2015**

CONFIDENTIAL

Client: NII Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Summary of Expense Entries by Category
Period: October 23, 2014 through March 31, 2015
Case No: 14-12611

Expense Category	Total Expenses (USD)
Airfare	\$31,309.91
Room rate	\$332.77
Taxi / car services	\$1,279.84
Meals	\$752.73
Case administrator	\$13,455.00
Other	\$42.50
Total	\$47,172.76

Notes:

- 1 Current invoice includes additional expenses for the period ending December 31, 2014 not previously invoiced; future invoices may include additional items for the period ending March 31, 2015 not previously invoiced herein.

EXHIBIT E

**ITEMIZED ACTUAL AND NECESSARY EXPENSES INCURRED
BY MCKINSEY RTS ON BEHALF OF THE DEBTORS
FOR THE PERIOD JANUARY 1, 2015 THROUGH MARCH 31, 2015**

CONFIDENTIAL

Client: NII Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Detail of Expense Entries
Period: October 23, 2014 through March 31, 2015
Case No: 14-12611

Date	Name	Expense Type	Expense Description	Expense USD
10/23/2014	Jay Jubas	Meals	Dinner	50.00
10/24/2014	Jay Jubas	Other	Phone/internet	18.55
10/24/2014	Jay Jubas	Meals	Breakfast	5.36
10/24/2014	Jay Jubas	Taxi / Car Services	Office - Client -	65.95
11/21/2014	Clifford Chen	Airfare	EWB/GRU/EWR - 12/1/14 to 12/13/14	9,340.00
11/24/2014	Anand Mehta	Airfare	DEN/IAD/DEN - 11/25/14 to 11/25/14	1,982.00
11/25/2014	Anand Mehta	Meals	Lunch	10.00
11/25/2014	Anand Mehta	Meals	Dinner	18.15
11/25/2014	Anand Mehta	Taxi / Car Services	Airport - Client -	34.50
11/28/2014	Geoff White	Airfare	LHR/GRU/LHR - 11/30/14 to 12/12/14	14,904.91
12/1/2014	Jay Jubas	Airfare	ATL/GRU/JFK - 12/2/14 to 12/5/14	5,083.00
12/2/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.11
12/3/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	3.89
12/3/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	4.28
12/3/2014	Hugo Ruiz Taboada	Meals	Lunch w/ H. Weaver and H. Taboada	19.34
12/3/2014	Jay Jubas	Meals	Dinner	28.67
12/3/2014	Jay Jubas	Room Rate	Lodging	166.13
12/4/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.89
12/4/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	4.28
12/4/2014	Hugo Ruiz Taboada	Meals	Dinner w/ H. Weaver, H. Taboada, and L. Kufirin	60.56
12/4/2014	Jay Jubas	Room Rate	Lodging	166.64
12/5/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.08
12/6/2014	Clifford Chen	Meals	Breakfast	3.82
12/6/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	8.49
12/7/2014	Clifford Chen	Meals	Lunch	4.24
12/7/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.08
12/8/2014	Clifford Chen	Taxi / Car Services	Client - Client -	6.93
12/8/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	3.85
12/8/2014	Henrique Weaver	Meals	Lunch	49.37
12/8/2014	Henrique Weaver	Meals	Dinner	50.00
12/8/2014	Henrique Weaver	Meals	Breakfast w/ H. Weaver and H. Taboada	56.76
12/9/2014	Clifford Chen	Taxi / Car Services	Client - Airport -	150.62
12/9/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.07
12/9/2014	Geoff White	Meals	Dinner	22.90
12/9/2014	Hugo Ruiz Taboada	Meals	Lunch w/ H. Weaver and H. Taboada	39.48
12/10/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.07
12/11/2014	Clifford Chen	Taxi / Car Services	Hotel - Client -	3.80
12/11/2014	Hugo Ruiz Taboada	Meals	Dinner w/ H. Weaver, and H. Taboada	44.17
12/12/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	3.76
12/12/2014	Clifford Chen	Taxi / Car Services	Hotel - Airport -	4.52
12/13/2014	Geoff White	Taxi / Car Services	Airport - Home -	89.49
12/15/2014	Henrique Weaver	Meals	Dinner	50.00
12/15/2014	Hugo Ruiz Taboada	Meals	Dinner	50.00

CONFIDENTIAL

Client: Nil Holdings, Inc.
Court: United States Bankruptcy Court / Southern District of New York
Description: Detail of Expense Entries
Period: October 23, 2014 through March 31, 2015
Case No: 14-12611

Date	Name	Expense Type	Expense Description	Expense USD
12/15/2014	Hugo Ruiz Taboada	Taxi / Car Services	Client - Airport -	265.12
12/16/2014	Henrique Weaver	Meals	Breakfast w/ H. Weaver and H. Taboada	9.15
12/16/2014	Hugo Ruiz Taboada	Meals	Dinner w/ H. Weaver, H. Taboada, and L. Kufrin	118.00
12/19/2014	Clifford Chen	Taxi / Car Services	Client - Hotel -	18.50
12/21/2014	Clifford Chen	Other	Phone/Internet	23.95
12/22/2014	Clifford Chen	Taxi / Car Services	Home - Airport -	163.45
12/26/2014	Clifford Chen	Taxi / Car Services	Airport - Home -	166.21
1/5/2015	Clifford Chen	Taxi / Car Services	Client - Airport -	189.89
1/14/2015	Matias Satz	Meals	Breakfast	19.26
1/25/2015	Anand Mehta	Taxi / Car Services	Client - Hotel -	33.00
3/5/2015	Matias Satz	Meals	Dinner	43.52
3/31/2015	Kevin Carmody	Case Administrator	Case Administrator - Rosanne Singer	13,455.00